



Voting Rights Policy

BlueBay Funds Management
Company S.A.

Core principles of the Company's Voting Rights Policy

The Company is a specialised investment funds manager which strategies relies only on fixed income assets. Accordingly, the number of occasions in which the Company would be required to exercising its voting rights is limited.

Where this may occur is typically with regard to investments made by the Company on behalf of the Funds in either convertible bonds or high yield bonds, where an investment may in some circumstances require formal voting rights (e.g. in case of restructuring...).

It is the policy of the Company to vote or get to vote in a prudent and diligent manner, based exclusively on its reasonable judgement of what will best serve the interests of the Funds and their investors.

In addition, and so far, as practicable, it is the Company policy to vote or get to vote at all of the meetings called by issuers in which investments are made on behalf of the Funds. However, the Company may also choose not to vote where voting may be detrimental to the interests of the Funds and their investors, such as high administrative costs associated with voting or blocking requirements which lock up the financial instruments held in the Fund portfolios, which might in turn limit liquidity or access to market opportunities.

Finally, it should be noted that the Company scrutinises each meeting of an issuer individually, before voting for or against each resolution, or actively withholding its vote, on a case-by-case basis.

For proxy voting purposes, per delegation from the Company, BBAM uses a proprietary IT system, called ProxyEdge.

Details regarding the receipt and notification of proxy rights, the identification of the persons authorised to exercise voting rights, the handling of conflicts of interests and reporting are disclosed in the appendix of BBAM Voting Rights Policy, titled Proxy voting procedure, which is attached hereunder as **Annex I**.

The Company has committed to incorporating environmental, social and governance-related (hereinafter referred to as "ESG") factors into its portfolio management activities.

Consequently, the integration by the Company of ESG factors into its investment process also translates into how the Company exercises its voting rights. Typically, when voting, the Company or its delegate focuses primarily on decisions, which are related not only to standard corporate governance, but also environmental and social matters, thus it may result in voting for, or as the case may be, against recommendations made by the senior management team of the issuers. The Company will monitor how the delegate documents the decision-making process related to the vote.

Additionally, the Company shall verify the yearly ESG Investment Report published by BBAM, which is available on the BlueBay Group Website. This annual ESG Investment Report includes details as to how BBAM voted for the previous year in respect of ESG factors.

Conflict of interests

The Company has in place a framework designed to prevent and mitigate conflicts of interest. When delegating the voting rights to the portfolio management, the Company will consider whether or not BBAM has a potential, perceived or actual conflict of interest relating to the security being voted on, such as if a BBAM's employee sit on the Board of Directors of the company concerned by the voting. Any such conflict of interest must be notified to BBAM's Compliance team for review, which in turn will escalate to the Compliance team in Luxembourg.

Annex I

Proxy voting procedure

Receipt and notification of proxy rights

A third-party service provider, ProxyEdge, is used for vote execution services (but not vote advisory ones) and BlueBay's Operations department receive notifications with regards to holdings of BlueBay funds. Operations are responsible for promptly submitting such materials to the relevant member(s) of the BlueBay portfolio management team. Any onboarding of third party service providers will be subject to BlueBay's internal due diligence process.

Persons authorised to exercise voting rights

The relevant members of BlueBay's portfolio management team will be responsible for recommending how proxies relating to securities held by clients in managed portfolios should be voted, taking into account the portfolio's investment objective and the principles laid out in this Paper.

The relevant personnel will consider each exercise of rights and in particular will take into consideration the best interests of clients, with voting on specific events or issues associated with the board and its committees (e.g. such as board independence and diversity), shareholder rights, audit and internal control, executive remuneration, use of capital (e.g. M&As) and other business, being considered on a case by case basis.

With regards to the voting decision, investment teams retain discretion but will from time to time, as deemed appropriate, consult with the ESG investment function for advice and guidance, for instance around wider governance as well as environmental or social matters. Once a recommendation on how to vote has been determined, this will be communicated to Operations to handle the voting process. The voting decision is documented by Operations.

Segregated mandates

The approach to be taken will be determined by the Investment Management Agreement (IMA) and this will be agreed with relevant departments as part of the account opening process.

Conflicts of interest

When evaluating any given proxy, the portfolio management team will consider whether or not BlueBay has a potential conflict relating to the security being voted, such as if a BlueBay Portfolio Manager sits on the Board of Directors of the company. Any such conflict of interest will be notified to the BlueBay Compliance team.

If Compliance deems the conflict to be material, Compliance will determine whether the vote proposed by the portfolio management team is in the best interests of all clients. If Compliance cannot conclusively determine that the vote is in the best interest of the affected client, Compliance will seek the advice of an independent third-party service to provide the proxy voting recommendation. The process will be documented.

Record keeping

For regulatory purposes, BlueBay maintains a record of all past proxy voting decisions covering a minimum period of the last seven years.

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